

THE 2012 LOS ALAMOS NATIONAL SECURITY, LLC COMMUNITY COMMITMENT PLAN

The LANS Community Commitment Plan invests fee and parent organization resources into the community over the first seven years of the contract period.

LANS remains committed to benefiting the Northern New Mexico community. We want to optimize the support we provide; therefore, our plan of grant and service investments complements community activities while ensuring that those investments are allowable under the contract.

In June 2006, we began implementation of a seven-year Community Commitment Plan that invests in Northern New Mexico with funds from fee and parent organization resources. Annually, the LANS Board of Governors reviews, enhances, and approves the Community Commitment Plan, subject to NNSA concurrence. With implementation led by the LANL Community Programs Office, the plan builds upon the 63-year investment by DOE/NNSA and the University of California (UC) in the Northern New Mexico community. The Community Commitment Plan is structured to provide the greatest possible benefit to the region in three critical areas—education, economic development, and charitable giving.

Regional Community Philosophy. A consistent, responsive relationship with our neighbors is mutually beneficial. Given the regional impact of the Laboratory, a strong, vibrant local economy is vital to long-term Laboratory operations and to the morale of LANL's workforce. Based on this philosophy, our community commitments are aligned to support the Laboratory's national mission and strategic objectives, providing mutual benefit and sustainability to both the Laboratory and to its surrounding communities. In addition, because we believe that local leaders and organizations best know the needs of the community, our plan recognizes the importance of ongoing dialogue with our regional stakeholders so that we understand those needs and, as appropriate, align them with the Laboratory's mission and strategic objectives.

Regional Community Approach. LANS key personnel are relationship owners, building partnerships with multiple constituencies based on a dynamic balance of listening and action. While working with the community and NNSA, we have established formal metrics for performance, including annual surveys and formal feedback loops, to verify alignment with regional community needs and priorities.

I.1 COMMUNITY COMMITMENT PLAN

The Community Commitment Plan was designed in conjunction with government-allowable regional initiatives, the regional purchasing plan, and the technology commercialization plan, to create an overall community investment strategy. Our plan continues to leverage (1) direct community investments in education, economic development, and community giving; (2) additional community investments from earned incentive fee; and (3) in-kind assistance that addresses community needs.

I.1.1 DIRECT COMMUNITY INVESTMENTS

Direct community investments remain targeted toward the critical areas of education, economic development, and community giving. We will also continue to use existing local organizations as the conduit for our direct investments.

I.1.1.1 Education

We invest in science, technology, engineering, and mathematics education for the people of Northern New Mexico. This commitment includes student scholarships, student learning and master teachers' support, and workforce development programs.

LANS continues to contribute significant funds to the community-directed, DOE-created and authorized, LANL Foundation for education programs. Those programs may include:

- ***Matching Funds for the Los Alamos Employees' Scholarship Fund.*** LANS contributes up to \$250,000 per year to match employee contributions for scholarships for Northern New Mexico students who pursue undergraduate degrees in fields needed within LANL and the region.
- ***Education Outreach Assistance.*** LANS will contribute up to \$250,000 per year in assistance to support the Northern New Mexico Inquiry Science Education Consortium to provide high-quality, cost-effective teacher training, evaluation resources, a Science Resource Center, and hands-on science education for K–6 students.
- ***Northern New Mexico Math and Science Academy (MSA).*** LANS will continue to support the LANL MSA by investing up to \$100,000 per year to leverage contributions from partnering organizations to support the MSA's efforts to increase student achievement by improving teacher performance.
- ***LANS Non-resident Fee Scholarships.*** LANS will commit up to \$104,000 per year to offset out-of-state tuition costs for Northern New Mexico students attending a University of California undergraduate program. This scholarship represents a savings of approximately \$25,000 per year, per student.

In addition, LANS contributes to programs and causes directly related to workforce development necessary to address LANL's pipeline needs. These include:

- ***New Mexico Highlands University.*** LANS is investing up to \$100,000 in the Computer Science Department at the University.
- ***University of New Mexico-Los Alamos.*** LANS is investing up to \$100,000 to support the Associates of Applied Science technician training programs with concentrations in manufacturing, nanotechnology, and electro-mechanical technologies.
- ***Northern New Mexico College's Nursing and Teaching Programs.*** LANS commits up to \$100,000 per year to support the college's four-year degree programs in nursing and teaching. These are two critical professional areas for the State of New Mexico and for the region in particular. This investment will provide valuable education infrastructure that will directly benefit the health and education of our community well into the future.
- ***Santa Fe Community College.*** LANS commits up to \$100,000 per year to support the Advanced Technologies training program with concentrations in biofuels, green buildings, solar energy, and water conservation.

I.1.1.2 Economic Development

In CY07, we began a program for economic development in Northern New Mexico. The commitment included resources for economic development support, enterprise development, technology maturation, and other infrastructure enhancements that will stimulate entrepreneurialism, business creation, and economic growth in our communities. Based on

previous experience in the region, investments have been structured to address the unique economic development challenges of Northern New Mexico.

In support of regional economic development, LANS commits that these investments be administered by a DOE-designated community re-use and regional economic development organization, the Regional Development Corporation (RDC). This includes the following discretionary and program investments:

- ***Northern New Mexico Connect (NNM Connect).*** LANS commits \$150,000 per year to further implement NNM Connect, the umbrella initiative that supports our economic development programs. This initiative is based on the UC San Diego Connect model for economic diversification and is widely recognized as the most successful program of its kind to link entrepreneurs to investment funds and provide business startup support. This initiative will help address the current lack of seasoned entrepreneurial business talent in Northern New Mexico.
- ***Enterprise Development, the programs under NNM Connect.*** LANS is investing \$250,000 per year to create and grow an entrepreneurial community in Northern New Mexico. NNM Connect supports programs to connect entrepreneurs with customized resources to grow their businesses. The programs leverage NNM resources, knowledge, best practices, and networks to accelerate entrepreneurial success. These efforts are being aligned with LANL scientific expertise and technology transfer initiatives.
- ***Venture Acceleration Fund.*** LANS commits \$350,000 per year to enhance commercial maturation of technology or expertise to support entrepreneurial development in Northern New Mexico. This incremental funding can be used for prototype production, market feasibility studies, and other activities that bring technologies closer to market and make them more attractive to additional funding sources.
- ***Other Economic Development support.*** LANS commits \$250,000 per year to support regional economic development objectives on behalf of Northern New Mexico communities and industries. This includes community technical assistance and support for the LANL Major Subcontractor Consortium in fulfilling their Subcontractor Regional Community Development Plans.

I.1.1.3 Community Giving

LANS will continue to invest through Northern New Mexico's United Way organizations by matching the contributions of LANL employees, dollar for dollar, up to \$1 million per year. By matching employee contributions, we can contribute up to \$2 million per year to charitable organizations.

I.1.2 ADDITIONAL COMMUNITY INVESTMENTS

The community will share in our success—LANS will invest in the education, economic, and community development of Northern New Mexico communities in correlation to our earned incentive fee. If LANS earns an incentive fee at or above 81%, we will make additional community investments that are incrementally based on incentive fee achievement.

I.1.3 IN-KIND AND OTHER COMMUNITY INVESTMENTS

LANS parent organizations' resources will be leveraged to provide additional support in education and economic development to Northern New Mexico communities.

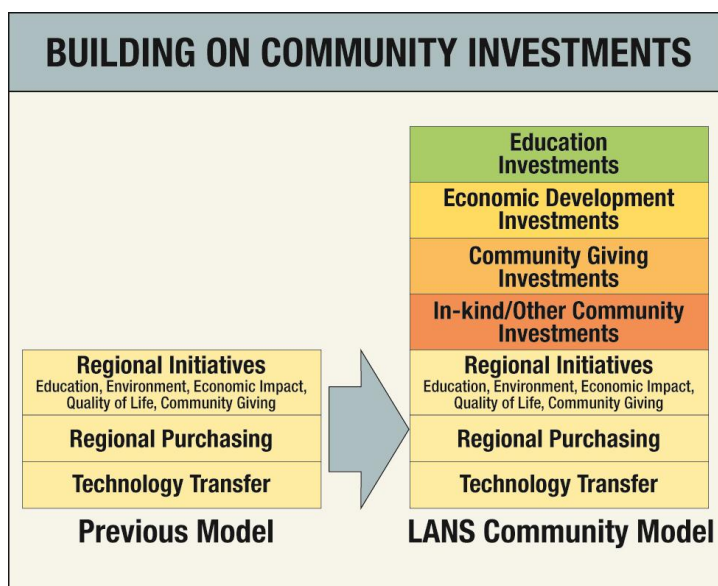
Community and Volunteer Services. We have entered into a relationship with VolunteerMatch, a web-based system that employees can use to identify community volunteer opportunities as well as track service hours. In addition, our license allows New Mexico non-profits to use the program free of charge. LANL employees may also receive up to 32 hours per fiscal year with pay of Science Education Community Service time to support STEM-related activities. LANS employees continue to contribute community service and volunteer time to support a wide variety of programs that provide needed services throughout the region.

New Mexico Small Business Assistance (NMSBA) Program with State Gross Receipt Tax Credit. New Mexico Law provides for a \$2.4 million per year tax credit to laboratories paying state gross receipts tax to provide technical services assistance to New Mexico small businesses. LANS has implemented this program and entered into partnership with Sandia National Laboratories to maximize the program's benefit to the state's small-business community. The purpose of the NMSBA is to bring the technology and expertise of the national laboratories to New Mexico small businesses to promote economic development, particularly in rural areas.

I.2 BENEFITING THE COMMUNITY – INTEGRATION OF COMMUNITY INITIATIVES

The Community Commitment Plan activities are structured to work in conjunction with existing, federally funded (allowable) regional initiatives to support an overall community investment strategy, including a regional purchasing program and technology commercialization. The figures to the right and on the next page illustrate how LANS investments and allowable initiatives work in the overall community investment strategy. Highlights of this strategy include:

- **Partnering With our Tribal Communities.** We will demonstrate a continuing commitment to partner with and understand the needs of our tribal communities. In addition, our grant and fee investments with the RDC for economic development and to the LANL Foundation for education will benefit tribal communities as well.
- **Education Outreach.** Our fee investment will continue to augment the existing allowable funding to the LANL Foundation and the Bradbury Science Museum for education and community outreach programs.
- **Strengthening and Providing Leadership to Subcontractors.** Grant, fee investment, and technical support will continue to augment annual allowable support to the LANL Major Subcontractor Consortium, further leveraging economic development investments in the community and providing greater integration with the Northern New Mexico business community. This will also provide a feedback loop from those suppliers back into the Laboratory for further refinement of these programs.
- **Support Economic Impact Data Repository.** LANS will develop an annual summary and evaluation of LANL's economic impact related to education, economic development, and community giving activities. Through this effort, LANS will ensure that the Laboratory's



economic impacts on the community are positive and strategic by design—not by accident. In addition, LANL’s need to respond to requests for data regarding its national, state, and local economic impacts will also be incorporated into voice of the customer surveys to ensure community review and feedback on an ongoing basis.

Conclusion

LANS crafted this integrated Community Commitment Plan based on our parent organizations’ solid track record of partnering with and contributing to the communities in which we work and live.

LANS’s partners—Bechtel, University of California, Babcock & Wilcox, and URS —have found that investing in local communities is good business. Partnering with the community facilitates program and project implementation; provides a skilled, local, and knowledgeable resource base; and promotes economic stability in the area. By committing funds and technical and management resources, these firms seek to benefit educational and economic development in communities worldwide.

